

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 2005-217-WS - ORDER NO. 2011-544
AUGUST 16, 2011

IN RE: Application of Utilities Services of South Carolina, Inc. for Adjustment of Rates and Charges and Modifications to Certain Terms and Conditions for the Provision of Water and Sewer Service) ORDER REQUIRING) USSC TO CLOSELY) MONITOR BULK WATER) PASS THROUGH RATES,) SEEK COMMISSION) APPROVAL TO PASS) THESE CHARGES TO) CUSTOMERS, AND) PROVIDE NOTICE TO) CUSTOMERS
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This matter comes before the Public Service Commission of South Carolina (“Commission”) on the filing of a report by the Office of Regulatory Staff (“ORS”) that concludes an investigation of Utilities Services of South Carolina, Inc. (“USSC” or the “Company”) at the request of Order No. 2011-53 (January 19, 2011). The purpose of this investigation was to determine the status of refunds to customers provided with bulk water from the City of Columbia and Electric City Utilities. USSC’s tariff allows the Company to pass through the pro-rata share of purchased water cost at the approval of the Commission and with advance notice to its customers. However, USSC failed to obtain the required approval or provide notice to its customers. In a letter dated November 23, 2010, the Company stated it would refund the money it had collected for the bulk water pass through to its customers.

The ORS report has determined that all currently active customers due a refund received a one-time credit, which was shown on bills issued in February 2011 for

customers in Anderson County and in March 2011 for customers in Richland County.¹ If a customer no longer received service from USSC due to relocation or service termination but had a remaining balance due in February or March, USSC applied the credit to the remaining account balance. Former customers were not forwarded a refund check by USSC unless the remaining account balance was less than the amount of the credit.

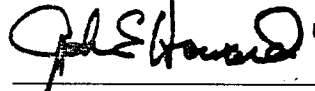
In its report, ORS recommends that the Commission require USSC to closely monitor all invoices and correspondence received from bulk water providers for an increase in rates or notices of a proposed rate increase. It further recommends that once notice is received by USSC of an upcoming rate increase, the Company should seek Commission approval and notice their customers.

We agree and appreciate the thoroughness of ORS's report. USSC shall closely monitor all invoices and correspondence received from bulk water providers for an increase in rates or notices of a proposed rate increase. As soon as the Company becomes aware that an increase in its bulk water rate has occurred or will occur, USSC shall seek Commission approval to pass through the bulk water rate increase and notice its customers. The docket is now closed.

¹ ORS determined that, if a former customer was due a refund and the refund dollar amount was less than \$1.00, USSC's "system doesn't generate a check for under \$1.00." For example, ORS found that a refund was due to one account in the amount of \$0.66. USSC did not issue this former customer a refund check because the amount due to the customer was less than \$1.00.

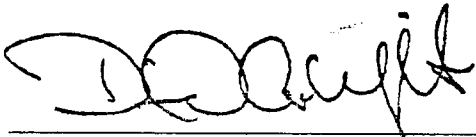
This Order shall remain in full force and effect until further order of the Commission.

BY ORDER OF THE COMMISSION:



John E. Howard, Chairman

ATTEST:



David A. Wright, Vice Chairman
(SEAL)